

**EVENING MEETING
BOARD WORK SESSION
NOVEMBER 16, 2000
MINUTES**

The State Board for Community and Junior Colleges (SBCJC) met for dinner at 6:00 p.m. in The Edison Walthall Hotel, 225 East Capitol Street, Jackson, Mississippi, on November 16, 2000. Following dinner, board members, staff and guest moved to Ballroom I on the 2nd floor in the Hotel.

Mr. George Walker, SBCJC Chair, officially called the meeting to order at 7:05 p.m. The following members were present: Yvonne Brown, Brenda Collins, Sara Fox, Joanna Heidel, Veldore Heidelberg, Henry "Bubba" Hudspeth, John Junkin, Jimmy Murphy, George Walker and Lawrence Warren. State Board for Community and Junior Colleges (SBCJC) staff present included Randall Bradberry, Becky Cade, Deborah Gilbert, Olon Ray, Wayne Stonecypher and Evelyn Webb. Mr. Phil Pepper, the State's Economist and a member of the Institutions of Higher Learning staff, joined the SBCJC as a guest.

Mr. Walker called on Dr. Phil Pepper to provide those present with an overview of the state revenue projection/picture. Dr. Pepper began by stating that he serves on the Revenue Estimating Committee for the State that is charged with the responsibility of monitoring the state's economy and budgets and making a recommendation for estimating the revenue upon which the state's budget is based each fiscal year. He stated that the Mississippi economy has experienced a slow down over the last year and a half across the board in construction, manufacturing, finance, insurance and real estate. Additionally, the national economy seems to be slowing which will also hinder our recovery. As a result, consumer and employer confidence is down. Individual income taxes are down as well. Sales tax is below expectations and sales taxes represents 40% of the state's general fund revenue. As a result of these economic factors, plus the fact that the committee estimates that the state will have a \$180 million shortfall for Fiscal Year 2001, the Governor has already asked most state agencies to reserve 5% of their budgets to attempt to deal with this shortfall. Community colleges, universities and K-12 educational budgets were exempt from the Governor's 5% reserve request.

For Fiscal Year 2002, the Committee has estimated a projected growth of \$129 million, but built-ins for FY'02 are \$159 million plus the promised \$23 million teacher pay package. The next fiscal year is expected to be tight as well. In fact, due to the estimated shortfall an additional cut of up to 10% may be required during FY '02. Dr. Pepper concluded his presentation by entertaining questions.

Mr. Walker then called on Ms. Sara Fox to lead the discussion of the following finance agenda items:

- 1) November 30, 2000, Education Enhancement Fund Disbursement for Funds 4080 and 4110 for a total of \$2,506,722;
- 2) Purchase Approval of \$31,409.64 to Venture Technologies for the purpose of purchasing Equipment to upgrade obsolete Sun Servers for the Community College Wide Area Network; and
- 3) Financial Statements for Funds 2291, 3291 and 4300.

12/4/00

SBCJC November Dinner Bd. Mtg. Minutes

There being no other financial business, Mr. Walker called on Ms. Joanna Heidel to lead the committee-as-a-whole discussion of program agenda items. Ms. Heidel mentioned that the board would be asked to consider procedures to be utilized by the SBCJC should a college appeal a judgment made by the SBCJC pertaining to their Standard for Non-Duplication of Upper Level Programs.

Mr. Walker then called on Dr. Ray to discuss general comments. Dr. Ray thanked members for attending the regional legislative meetings recently held throughout the state. He also mentioned that staff is beginning to think about ways to deal with a possible 10% budget cut. He also thanked members for their concern and calls during his recent medical problems. He explained that he continues to have some problems, but hopes that the doctors will be able to work through them satisfactorily in the very near future.

There being no other business the meeting was adjourned at 8:10 p.m.